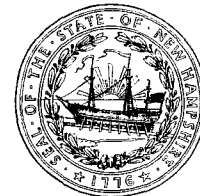




The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

May 8, 2006

Mr. William Jean
Plant Manager
Cold River Materials
P.O. Box 908
Walpole, New Hampshire 03608

CERTIFIED MAIL (7005 1160 0004 7467 6703)
RETURN RECEIPT REQUESTED

NOTICE OF PAST VIOLATION
(Sta.S)

RE: 1 Brewery Road
Walpole, New Hampshire

Dear Mr. Jean:

On June 23, 2005, the New Hampshire Department of Environmental Services, Air Resources Division ("DES") conducted a compliance inspection at Cold River Materials ("CRM") in Walpole, NH. The purpose of the inspection was to determine CRM's compliance status with Temporary Permit FP-T-0113 ("the Drum Plant Permit"), State Permit to Operate PO-BP-2648 ("the Batch Plant Permit"), State Permit to Operate FP-S-0222 ("the Generator Permit"), General State Permit GSP-NB-002 ("the GS Permit") and NH Administrative Rules Env-A 100 *et seq.* The purpose of this letter is to notify you of the violations discovered during the inspection and subsequent file review. The specific violations are as follows:

1. Env-A 705.04 (a) requires CRM to pay annual emission-based fees to DES for emissions from the previous calendar year. Fees for emissions from the Fresh Water Generator and Generator #875 for calendar years 1997 through 2002 were not paid until April 10, 2006.
2. Env-A 907.01 (c) requires CRM to submit its annual emissions report to DES by April 15 of the following year. The annual emission reports for calendar years 1997 through 2002 did not include emissions from the Fresh Water Generator and Generator #875. CRM failed to submit reports for these generators to DES until February 22, 2006.
3. Condition X.A.2.c. of the Batch Plant Permit, which was issued on August 6, 2003, and Env-A 907.01 require CRM to report emissions of arsenic, cadmium, chromium, and lead when specification used oil is combusted in the aggregate dryer's burner. The emissions report for calendar year 2004 did not include emissions of these pollutants, though specification used oil was combusted. A revised emissions report for calendar year 2004 was submitted by CRM on March 6, 2006, addressing the emissions of these pollutants.
4. Condition IX.F.3. of the Batch Plant Permit and Condition IX.F.2. of the Drum Plant Permit require CRM to maintain records on daily pressure differential measurements and all photoluminescent leak checks performed at the baghouses. At the time of the June 23, 2005 inspection, such records were not being maintained. CRM has created a form that is now being used to maintain these records, as evidenced by records received by DES on February 22, 2006.

DES believes that no further action in response to the listed violations is required. DES requests that CRM continue to comply with all recordkeeping and reporting obligations contained in the Permits mentioned above. In the event that other violations are identified, DES may take action, including issuing an administrative order, seeking administrative fines, and/or referring this matter to the New Hampshire Department of Justice for civil and/or criminal penalties.

If you believe that DES has cited these violations in error, or have questions regarding these matters, please contact Barbara Hoffman, Enforcement Section Supervisor at (603) 271-7874. A current copy of the Air Resources Division Rules can be obtained from the DES website at <http://www.des.nh.gov/rules/air.htm>, or by contacting the DES Public Information Center at (603) 271-2975.

Sincerely,

A handwritten signature in black ink is written over the word "COPY" in large, bold, capital letters. The signature appears to be "P. Monroe" with a long horizontal flourish extending to the right.

Pamela G. Monroe
Compliance Bureau Administrator
Air Resources Division

PGM/blh

cc: R. Kurowski, US EPA Region 1
G. Hamel, NHDES Legal Unit Administrator
Whitney Aldrich, Chair, Walpole Board of Selectmen
AFS #3300500055